



Department of Veterans Affairs Fiscal Year 2005 Operating Budget

**Testimony of
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Presented to

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Health and Human Services
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Introduction

The Department of Veterans Affairs appreciates this opportunity to update the Committee on the activities of the Department over the past year to ensure that we fulfill our mission to “deliver services and programs to assist veterans, their families and survivors in obtaining federal, state, and local benefits” and to respond to the issues raised and recommendations contained in the analysis prepared by the Department of Legislative Services.

This document contains the following information:

- State of the Department of Veterans Affairs and discussion of key priorities.
- The Department’s response to the issues raised by the Department of Legislative Services.
- The Departments response to the recommendations made by the Department of Legislative Services.

State of the Department of Veterans Affairs and discussion of key priorities

The Maryland Department of Veterans Affairs (MDVA) is comprised of the following programs: Veterans Service, Cemetery, Memorials and Monuments and the Veterans Home.

The Veteran Service program provides information and assistance to approximately 474,000 Maryland veterans, their dependents and survivors in applying for and obtaining federal, state and local benefits and entitlements granted by law.

The Cemetery program consists of five cemeteries, offering a final resting place for Maryland veterans and their eligible dependents. Additionally, we provide dignified burial services and perform perpetual care of burial areas, the surrounding grounds, buildings and roads. The five cemeteries currently maintain 54,189 burial sites and we continue to bury 3,000 plus veterans and dependents on an annual basis.

The Memorials and Monuments program operates, maintains and secures three veterans’ memorials and monuments honoring World War II, Korean, and the Viet Nam veterans. In the past year memorial services have been held recognizing the ultimate sacrifice of our service members.

The Veterans Home program at Charlotte Hall provides both assisted living and a skilled nursing home facility for Maryland veterans who are unable to care for themselves due to disability, advancing age, or who have requirements for a nursing home. At this time there are 274 (91 Assisted Living and 183 Comprehensive Care) residents receiving care and support. The fourth and final wing, with 126 beds, became operational in FY 2003.

In the past year the four programs have been reviewed for increased efficiency and operational improvements in our effort to deliver programs and services to Maryland veterans and their families.

There have been several changes to the Department over the past year, which I will briefly describe. The Baltimore executive office moved to 16 Francis Street, Annapolis. The position of Assistant Secretary of Outreach and Advocacy was added to increase visibility to the veteran community, placing greater emphasis on outreach with departmental representation to include 171 appearances, 93 speeches and communications with 38,000 veterans and citizens. Departmental emergency management plans were reviewed in conjunction with Maryland Emergency Management Agency.

Veterans Service program has expanded field operations, outreach programs and attended numerous local and state conferences and fairs. During FY 2003 the Veteran Service Officers had 68,830 client contacts that succeeded in securing \$14 million dollars in new federal benefits. Through a determined effort the Service Offices, the FY2003 client contacts of 68,830 equates to a 6% gain over FY2002. This is significant number since the veteran population is decreasing; yet the overall contacts are increasing. A Veteran Service Officer has been assigned to Frederick to meet an increasing need for services in that area.

The Maryland Cemetery Program was a national leader in the establishment of state veterans cemeteries in the 1970's and early 1980's. The newest state cemetery in Maryland celebrated its 20th anniversary in 2003. The Maryland Department of Veterans Affairs provides this support at one-half the staffing levels recommended by the United States Department of Veterans Affairs' National Cemetery Administration.

Five state veterans cemeteries were established across Maryland to provide burial space for eligible veterans and their eligible dependents. In 2003 these cemeteries continued to provide burial space for those eligible individuals who desire to be buried in a state veterans cemetery. Over 3,000 burials were conducted in FY2003 in State veterans cemeteries located in Allegany County, Baltimore County, Anne Arundel County, Prince

George's County and Dorchester County. We anticipate that FY2004 may exceed FY 2003 burials. It should be noted that Maryland has the most active State cemetery program nationwide and Garrison Forest is one of the most active State veteran cemeteries nationwide.

The Department buries approximately 20% of the eligible veterans who die in Maryland. Burial rates depend upon changes in the veterans' population as well as economic conditions. World War II and Korean War veterans tend to return home where they would eventually be buried in local cemeteries and family burial plots, since their generation is not as transitory. Veterans of later service moved with the greater population, as American society became more mobile. These changes will more than likely mean that more veterans will take advantage of veterans' cemeteries in locations away from their original homes.

The United States Department of Veterans Affairs provided the demographics used in this review. Projections indicate a downward trend in Maryland's veteran population from 484,283 in 2003 to 289,155 in 2025. While major conflicts on the level of WWII are not projected, the exact numbers in the future will depend upon the size of the armed forces during that period.

Veteran deaths in Maryland are projected to peak in 2008 at 11,733 deaths. However, 2008 is not expected to be the peak for burials in veterans cemeteries as the surge of dependent burials could lag as much as ten years behind the 2008 for veterans, according to current indemnity schedules.

Through a combination of state and federal (National Cemetery Administration) funding, the Department must strive to periodically enhance the existing cemeteries through expansions and better use of existing space. The National Cemetery Administration provides grants that are used to extend the life of a cemetery by ten years after each major enhancement. The Department must plan to do a major enhancement in each cemetery every ten years. Future funding projections indicate that there will be no opportunity to build additional cemeteries anytime in the near future. Furthermore, through appropriate management and updates of existing cemeteries, Maryland's Department of Veterans Affairs should be able to handle the burial needs of our veteran's community for the next 30 years.

Not only are the Memorials and Monuments a place to honor the service and sacrifice of our service members, the locations are also a place to celebrate veterans' related events. A highlight of 2003 was the ceremony conducted on Veterans Day recognizing the 50th Anniversary of the Korean War Armistice, held at the Korean War Memorial in

Baltimore. Attendees included the Governor, Ambassadors from the Republic of South Korea and Turkey, local leaders and press.

The Charlotte Hall Veterans Home program opened the final phase, wing four, on June 30, 2003, adding 126 beds. Charlotte Hall, now with 504 beds, is the largest assisted living/nursing home in Southern Maryland. The Home is working hand-in-hand with the operational management team, Health Management Resources, to increase the residential population. However, given the financial concerns, the Home is increasing residential census on an average of 2.7 residents per month. The Department has initiated an effort to modify the Annotated Code of Maryland (HB668) for the provision to allow a veterans' spouse, to gain residential admittance to the Home at no cost to the State of Maryland. As a benchmark, several other States already offer this service. During Hurricane Isabel the Home emergency preparations included mutual aid planning with the surrounding tri-county health care facilities. The Home identified 75 beds available for emergency preparations and response.

Issues Raised in DLS Analysis

- 1. The Department should explain how these measures tie into the fiscal 2004 report, if the expectations regarding problems with burial sites and headstones materialized, and if so, how these problems are being addressed.**

Response: The Maryland Department of Veterans Affairs operates one of the most active cemetery systems in Maryland with over 3,000 burials annually and almost 60,000 burial sites at this time for perpetual care. The trend from the 2004 MFR for cemetery complaints to the 2005 MFR for cemetery complaints is the total number during the FY. The previous MFR predicted 206 complaints for FY 2003 and the actual number was 213. Projections for FY 2004 are 150 and at the end of the first six months there were 72 complaints. Due to the cemetery system operating at 50% of recommended staffing levels (USDVA National Cemetery Administration), the Department is making use of contractual resources such as landscaping and mowing to mitigate and reduce the number of complaints. Our intent is to continue to lower the actual number of complaints as the number of sites for perpetual care increases each year. To accommodate a spouse and eligible family members, we bury two deep in our cemeteries. Therefore, it takes more time to stabilize the soil. Areas have to be leveled and filled many times before they are ready for final seeding and setting of the headstones. Even after that time, it is estimated that gravesites have to be monitored for minor correction over many years.

- 2. The Department should be prepared to explain how it expects such significant improvement in several quality measures in a short period of time.** [Charlotte Hall Veterans Home consists of only four state employees who oversee the contract management vendor, Health Management Resources (HMR). HMR is responsible for the overall operations and facility management of Charlotte Hall.]

Response: Concerning the prevalence of bedfast residents, the Home has improved the Activities Program and is adding additional activities staff to provide for the needs of the residents who are bedfast. Also, an improved volunteer program has increased the number of people available to transport residents to and from activities. An improved volunteer program has also increased the number of activities offered to residents.

Regarding the prevalence of bedsores at the Home, HMR has developed a better knowledge of each resident's needs that should contribute to a lower prevalence of bedsores at Charlotte Hall. The dietician staff has been increased by one to aid in the treatment of those residents with bedsores and to help prevent the recurrence. Additionally, specialty beds have been ordered to better treat those residents with

bedsores. Finally, the high incidence of bedsores can be directly tied to the admittance of residents with acuity of care.

- 3. The Department should comment on any correlation between these two measures (falls and physical restraint devices) and, to the extent there is a correlation, why the Department has made the decision to use restraint devices less but at the expense of a higher number of falls.**

Response: The Facility Quality Indicator Profiles for the months of July, August, September, October, December and January indicated 0.0% for Prevalence of Daily physical restraints. The month of November report indicated the facility percentage was 1.8%. This statistic is influenced by the Home's decision to use restraints less but at the expense of a higher number of falls. It is the goal of the Home and HMR to be a restraint free facility. This concept is based upon the belief that restraints are a violation of resident rights. It is the intent of the Home and HMR to promote the highest level of independence for our residents because chemical and physical restraints limit function and resident dignity. Several national clinical studies have proven that restraints do not decrease the prevalence of injuries.

HMR has a Falls Committee and a Behavior Monitoring Committee at the Home. The goal of these two committees is to reveal and assess any atypical behavior in the facility. Body alarms are placed on residents who are at high risk for falls and non-skid strips have been placed at the bedsides of all residents in the facility to prevent falls.

- 4. The Department should comment on its preparations and plans to deal with this trend (incidence of cognitive impairment) and how to create a need for changes, in either in the kind expertise it contracts for in the future, structural modifications to rooms in the home, or other possible effects these demographic trends may have.**

Response: Charlotte Hall Veterans Home has a "locked" 42-bed Alzheimer's unit (C-Wing 1st Floor) that was opened in October 1993. At that time we used information that identified the increase of Alzheimer's disease cases, and the prevalence in veterans of other types of dementia. Residents who are housed in the unit are those with an Alzheimer's/Dementia diagnosis and who **are at risk for wandering**. When the unit first opened we automatically admitted anyone with a level of cognitive impairment. Recently, however, we have learned that many with cognitive impairment can be housed with the general population, if you allow for their needs, such as those who are bed-bound, or those who lack mobility. There are even residents with Alzheimer's who may be confused and disoriented, but do not pose a risk for wandering. Therefore, an assessment is done on each admission to determine what their actual care needs are. Admissions are followed by regular care plans at which any decline, or change, is noted and a new plan of care determined. Even residents who are placed on the

Alzheimer's unit may eventually decline to a point at which they no longer pose a risk and are moved out into the general population. As part of these different levels of need, we are in the process of having a patient alarm system installed on one floor of B-Wing that would alert staff when a resident tried to leave that floor. The Assisted Living Regulations also allow for admission of someone with Alzheimer's. Therefore, we are planning for a patient alarm system there too. The Alzheimer's unit itself, now almost 11 years old, was designed with the industry knowledge that was available at the time of construction. Much has been learned about dementia diseases and the design of treatment areas, in the intervening years and it is an ongoing process. Often it is easier to learn what you are doing wrong than what the solution is. Therefore, it is a continuous process to meet the ongoing needs of our Alzheimer's/Dementia residents.

Recommendation made in DLS Analysis

Recommended DLS Action #1:

1. **Reduced the Fiscal 2005 Allowance telephone and cell phone planned increases by \$5,308GF.**

Agency Response: Concur

Recommended DLS Action #2:

2. **Reduce the fiscal 2005 allowance for automobile repairs by \$10,000GF.**

Agency Response: Concur

At A Glance

Maryland Veteran Population: 473,716*

In FY 2003, 3,200 claims were represented before the U.S. Department of Veterans Affairs

In FY 2003, Maryland Veterans received in excess of \$14.3 million in veterans' benefits as a direct result of the efforts of the Department claims office.

In FY 2003, Cemetery interment services provided: 3,082

In FY 2003, Charlotte Hall Veterans Home resident population: 271

504 Operating beds

54% Occupancy

FY 2005, Charlotte Hall Operating Budget - \$13,057,680

40 % State Appropriations

50% USDVA Per Diem

10% Patient Pay

* Source: United States Department of Veterans Affairs, Veteran Population as of 9-30-03